

BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 18,517 - ORDER NO. 19,704 ✓

November 22, 1976

IN RE:	Transfer of ownership from Cashion)	
	Water Works operating a water system)	ORDER APPROVING
	in Lakewood Estates Subdivision,)	TRANSFER OF
	Lexington County, South Carolina, to)	OWNERSHIP
	Heater Utilities, Inc.)	

TO: CASHION WATER WORKS

On October 14, 1976, the South Carolina Public Service Commission (the Commission) issued an Order Setting Hearing and Rule to Show Cause (Order No. 19,629) against Conrad L. Cashion, owner and operator of Cashion Water Works (the Company). This Order required the Company to show cause to this Commission why the Company should not be required to conform to the engineering requirements of the South Carolina Department of Health and Environmental Control (DHEC). The Order further required the Company to show cause to the Commission why it should not seek prior approval of a proposed transfer of ownership, as well as approval of rates and charges as a result of such transfer. These items were brought to the attention of this Commission by way of information supplied by DHEC and residents of the area served by the Company. Order No. 19,629 and a Subpoena and Subpoena Duces Tecum were hand served upon Conrad L. Cashion on October 19, 1976.

Prior to the hearing on November 10, 1976, notice of the show cause proceeding was mailed to representatives of the homeowners and DHEC.

A public hearing was held on November 10, 1976, before the Commission. Appearances were entered by Conrad L. Cashion,

for the Company; Percy McNeil, on behalf of Heater Utilities, Inc.; and Michael Molony, Esq., on behalf of the Commission and Commission staff. Various residents appeared to express their views as to the operations of the system.

Prior to the hearing, it became evident to the Commission that an arrangement had been made between the Company and Heater Utilities, Inc. (Heater) whereby Heater was to purchase this water system, for a stated consideration, to be effective sometime this year.¹ The Commission proceeded with the hearing as if it were solely a transfer of ownership between the Company and Heater. Transfers of ownership of water systems must be approved by this Commission, as set forth in RUW-105.

A letter was introduced into evidence which sets forth the essential elements of the proposed sale. The agreement entails a transfer of all water mains, service lines, meter boxes, meters, valves, valve boxes, wells that are presently tied to the system, pumps, tanks, well houses, right-of-way, easements to include a 20' x 40' fronting on a certain street for the purpose of installing a pressure tank and well, and options to purchase additional well sites, if needed. A list of customers was also to be supplied 15 days prior to takeover of the system by Heater. Finally, a letter of ingress and egress was to be obtained from a certain lot owner adjacent to a well site, prior to transfer of ownership to Heater. The consideration for the foregoing items was stated to be \$2500.00.

Testimony given by Heater witness Mr. P. H. McNeill indicates that Heater is aware of the engineering problems with the system, as well as the alleged discrepancies with

¹This information was supplied by both DHEC and residents.

DHEC's rules and regulations. Heater stated that they were willing and able to comply with these rules and regulations, as well as the rules and regulations of this Commission, within a reasonable time frame.

Various residents questioned Heater witness McNeill as to the operations of the system after the takeover. Heater indicated a willingness to work out any problems or questions posited by the residents of the area.

Heater operates various water and sewer systems throughout this state as well as North Carolina. Heater has a substantial amount of operating experience which we expect will help ameliorate the many problems currently facing this water system.


Based on the record of the proceedings before us, we find that the proposed sale of facilities, as outlined above, is in the public interest and in accordance with applicable rules and regulations of this Commission. Accordingly, the Commission is of the opinion, and so finds, that a certificate be issued authorizing the sale of the aforementioned facilities.

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED:

1. That a certificate be issued authorizing the transfer of ownership of Cashion Water Works to Heater Utilities, Inc.
2. That Heater Utilities, Inc., shall upgrade the water system in Lakewood Estates, Lexington County, South Carolina, to meet the engineering requirements of this Commission and the South Carolina Department of Health and Environmental Control.
3. That the proposed transfer take effect as expeditiously as possible.

4. That this Order shall remain in full force and effect until further Order of this Commission.

BY ORDER OF THE COMMISSION:


Chairman

ATTEST:


Executive Director

(SEAL)